

## CHAPTER 3: NEGOTIATION PREPARATION

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### **Learning Objectives**

At the end of this chapter you will be able to:

#### **Primary Learning Objective (PLO)**

Develop a negotiation plan based on an assessment of the government's priorities and the strengths and weaknesses of all parties involved in the negotiations.

#### **Classroom Learning Objective 3/1**

Organize and brief the negotiation team.

#### **Classroom Learning Objective 3/2**

Identify the negotiation issues and objectives.

#### **Classroom Learning Objective 3/3**

Identify steps required to research the contractor's negotiation history and probable approach.

#### **Classroom Learning Objective 3/4**

Assess bargaining strengths and weaknesses of both parties.

#### **Classroom Learning Objective 3/5**

Establish negotiation priorities and potential tradeoffs or concessions.

#### **Classroom Learning Objective 3/6**

Develop a tactical plan for the negotiation.

#### **Classroom Learning Objective 3/7**

Develop the negotiation plan.

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# Contents and Procedures

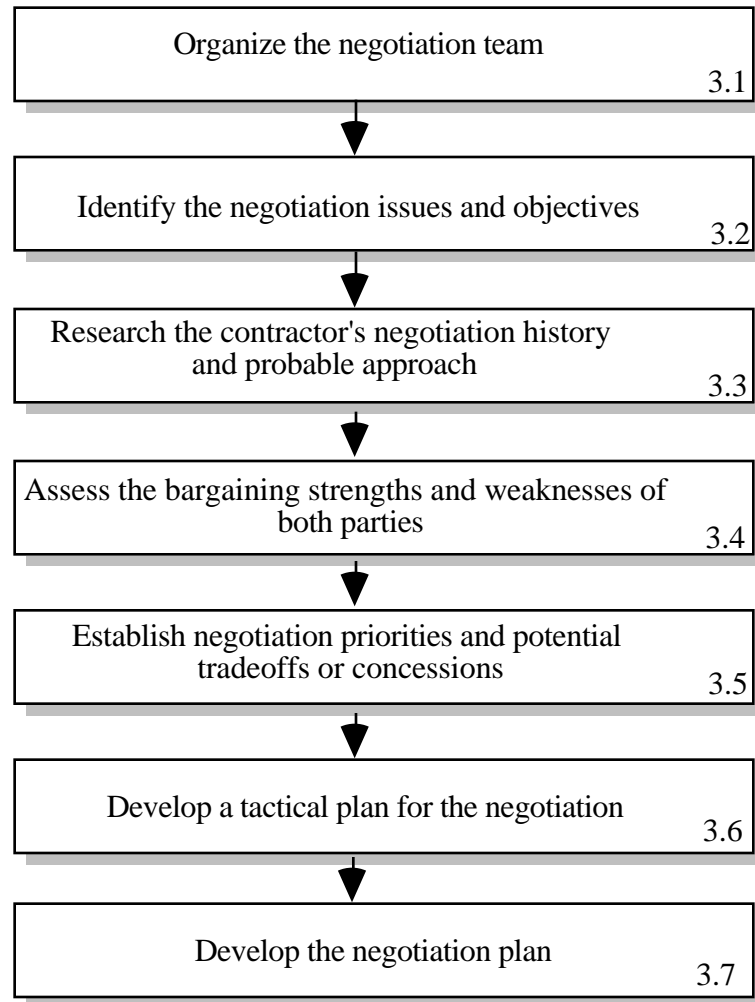
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**Procedural  
Steps**

The following flow chart outlines the steps in negotiation preparation:



### 3.0 Chapter Overview

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#### Assumptions

This chapter is focused on a sole source environment. Chapter 8 will explain the differences in preparing for negotiations in a competitive environment.

The presentation in this chapter assumes that you have completed your analysis of the proposal (including any factfinding prior to the negotiation session). At this point, the government team should have in hand:

- The solicitation.
- The proposal and all data submitted by the contractor to support the proposal.
- Data from your research of the deliverable, the market for the deliverable, any relevant acquisition histories.
- Field pricing reports or audits.
- Your analysis of the proposed price and, where appropriate, of cost elements.
- Technical reviews.

Without quality data from these sources, you can neither completely prepare for nor conduct the negotiation. For the purpose of this chapter, assume that you have obtained the necessary data and are now ready to transform the data into a negotiation plan.

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#### Importance of Preparation

The most important prerequisite to effective negotiation is thorough preparation. Neither experience, bargaining skill, nor persuasion on the part of the negotiator can compensate for the absence of preparation. Thoroughness is even more important to the government side because contractors are generally better prepared. After all, to complete the proposal, the contractor had to develop the assumptions underlying cost estimates. The contractor side is also intimately knowledgeable about a product (or service) they are providing. To minimize the inherent contractor advantage in this area, the government negotiation team must be well prepared.

Thoroughness in preparation produces tangible rewards. The quality of the contract work statement and technical descriptions will generally be improved. Pay-offs from good preparation also include:

- Fewer contract modifications because the technical requirements were well conceived during the initial negotiations; and
- Actual costs that are generally closer to estimated costs.

In short, thorough preparation improves the quality of both the contract and the contract performance.

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## 3.1 Organize the Negotiation Team

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### Introduction

The first step in negotiation preparation is to determine who will represent the government at the negotiation conference. In many cases, the contract specialist is the only representative of the government side. But when a great deal of money is involved or the negotiation involves a technologically complex project, a team of specialists participates on behalf of the government.

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### Organizing the Team

Negotiation preparation begins with determining the size and composition of the negotiation team. The team composition depends on the size and complexity of the requirement, the circumstances surrounding the upcoming negotiation, and the personnel available to serve on the government side. Negotiation teams often consist of the contracting officer, price analyst, and technical representative. Larger teams may include auditors, engineers, legal advisors, price analysts for different cost elements, manufacturing specialists, and representatives from the program office and user community. But, some negotiation team members may not be needed at every negotiation session.

The next step is deciding on who will represent the government. Since the negotiation team is not a formal entity consisting of members from the same organization, team members are often selected from different activities. Consequently, members can be chosen from among those available individuals who are the best qualified to represent their area of expertise.

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### Chief Negotiator

The key person on the negotiation team is the chief or principal negotiator who does most of the bargaining and provides leadership at the negotiation session. The government team member who has the most ability as a negotiator and/or who is most knowledgeable on the procurement generally serves as the chief negotiator.

Usually the contracting officer (CO) or specialist (1102 job series) serves as the principal negotiator. Although the CO may be the only team member with the formal authority to obligate the government to contractual agreements, the CO need not be the chief negotiator. For example, a pricing specialist may serve as the principal negotiator when that team member is the most informed and capable negotiator. To take advantage of varying kinds of expertise, more than one chief negotiator can be used to bargain different issues.

Because of the importance of unity during the bargaining session, the chief negotiator should be the only individual designated to speak for the government side. However, when the chief negotiator does not have the expertise needed to respond to a particular issue, he or she can allow another team member to address the other side. Exercising this authority, the chief negotiator serves as a chairperson by "giving the floor" to another speaker. Unless this permission is granted, the other members of the government team should not speak up or address the other side during the bargaining session.

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### Summary

As government contracts become more complex, the team approach and role of the chief negotiator become ever more important aspects of negotiation success. The principal negotiator must bargain for the team to attain well planned

objectives.

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## 3.2 Identify the Negotiation Issues and Objectives

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### Identifying Potential Issues

An issue is any potential area of disagreement or an assertion about which the two sides differ. In contrast, facts are data about which both parties are likely to agree. Since the differences between facts and issues are not always clear cut, the first step in preparing for negotiations is to identify:

- Potential issues that may merit discussion. Only issues that have a material impact on either price or contract performance should be discussed.
- The government position on those issues.

A fact becomes an issue if it is challenged. Moreover, there are times when so-called "factual" information ought to become an issue but do not because the information is not challenged. Information about which negotiators agree is treated as fact and does not merit further discussion. Likewise, resolved issues become facts.

Issues are the topics of discussion in a bargaining session. Issues arise when the same subject is viewed by people with different positions and interests. Since the way issues are handled is often the key to successful negotiations, the importance of identifying and preparing for issues is paramount. Said in another way, "What can negotiators expect to clash about?" and "How can they best prepare for the ensuing discussions?"

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### Sources of Potential Issues and Objectives

The sources of potential issues include:

- Contractor proposals
- Factfinding notes or minutes
- Technical analysis
- Field pricing and audit reports
- The cost or price analysis
- Other proposed business terms and evaluations

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### Developing Negotiation Objectives

The basic goal of any negotiation is a contract that commits the contractor to providing a deliverable that:

- Will satisfy the government need (in terms of such dimensions as quality and timeliness)
- Fairly apportions risk between the government and the contractor
- Is at a fair and reasonable price
- Satisfies statutory goals, such as small business set-asides, affirmative action.

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### Developing the Price Objective

In contract negotiations, the focal point for the government is generally the price of the contract. The price objective is a negotiation position which should express a fair and reasonable price for the entire "package" under consideration.

Without a definite price objective, negotiations will often flounder and result in settlements that can be neither explained nor defended. Objectives such as “the lowest price we can get” or “a price about ten percent below the proposal” do not qualify as acceptable objectives because they are not in the win/win spirit and are too indefinite. Price objectives should be planned in terms of a definite dollar amount reflecting a reasonable evaluation of the terms and conditions of the intended contract.

Since the price objective represents your best judgement of a fair and reasonable price based on facts available prior to the negotiation, do not rigidly stick with that number during the course of the negotiation. Price objective is only a guide. Your judgement of what is “fair and reasonable” may change during the negotiation session as new facts become available or because of changes in your interpretation of existing data. Remember, your goal in negotiating price is not to achieve a predetermined target but rather to reach agreement on a fair and reasonable price.

When data on individual elements of cost are available, base your target position at least in part on those data. Although there may be additional costs depending on the product or service, the usual cost elements are direct material, direct labor, overhead, and general and administrative expenses. Each cost element should be estimated separately to develop a target point. In each case, the cost objective is then the point where the chances are considered equal of either exceeding or underrunning the estimate. After the objectives are set for each cost element, the sum of the elements is the total cost objective. The government price objective is then obtained when a profit factor is added to the overall cost objective.

Reasonableness of the cost estimates should be judged on the basis of the probability that such costs will occur. The price objective should be the most likely expectation of costs. Overly optimistic or pessimistic extremes should be avoided. Simply put, the price objective should be the most fair and reasonable position.

Finally, double check the price objective against available data on competitive, historical and commercial prices for the same or comparable deliverables. This reality check sometimes deflates price objectives that seemed reasonable on a cost element by cost element basis.

When negotiating without benefit of any data on elements of cost, price analysis becomes all important in determining the price objective. In this case, the target price is your best projection of the fair market value of the deliverable at the time of delivery or performance given data on competitive prices, commercial prices, historical prices and/or pricing yardsticks. You must adjust these data to account for any differences in quantities acquired, product characteristics, contractual terms and conditions, the value of the dollar at the time of award, and so forth. You must consider the relative credibility and validity of each potential price comparison. In other words, even when the price objective comes from price analysis alone, the price objective is still a matter of judgment – being your best estimate of what the government should pay for the deliverable under the circumstances.

### 3.3 Research the Contractor's Negotiation History and Probable Approach

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#### How to Research

In this regard, potential sources of information may include:

- The contract proposal and all data submitted with the proposal
  - Audit reports
  - Previous proposals or contracts on the same kind of work
  - Price Negotiation Memoranda (PNMs) with the same contractor or with other contractors for similar work
  - Contract administrators, negotiators, and other government employees who have had previous dealings with the contractor
  - Factfinding sessions
  - Other pertinent documents from contract files of other contracts with the contractor
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#### What to Research

Goals and Priorities: It is important to attempt to identify contractor goals and corresponding priorities. Include in your research both stated and readily apparent goals along with the unstated needs of the contractor side. While contract price is always important, every negotiation contains non-price needs and unstated needs for both sides.

Unstated Needs may include such contractor priorities as increasing market share, cash flow difficulties, or just the relative security of doing business with the government. Negotiation preparation should include consideration of such unstated needs. Government concessions that satisfy these needs often cost little or nothing, yet the government side can strongly influence the outcome of a negotiation by addressing them. (Satisfying non-price issues is covered under Rule Four, "Satisfy the Other Side's Non-Price Needs," in Chapter 5.)

Probable Styles and Tactics: An examination of the contractor's past negotiation styles, such as win/win or win/lose, and past negotiation tactics often indicates valuable information about the type of negotiators the government will face. Plan the government approach by analyzing how the contractor has negotiated in the past. For example, if the contractor side has been threatening in the past, prepare countermeasures that anticipate the use of win/lose tactics.

When you do not have experience with certain negotiators, check with your colleagues and even other federal agencies to find out about their negotiation style. The negotiation approach best suited to the situation can be selected based on the contractor's past record. Always be prepared to counter the strongest styles and to benefit from the weak negotiation styles.

Realize that assumptions as to possible future negotiation styles are just that -- assumptions. Skilled negotiators often change their approach depending on the situation. Consequently, plan your approach on the likely style of the other party, but stay flexible and be prepared to change.

Pressures and Constraints: The identification of bargaining pressures facing both sides is always an important area of research. Learning the constraints facing the government side is generally easier than identifying the pressures facing the other side. But, discovering the other side's limitations can be used to enhance your bargaining position to seek win/win outcomes. (This research is also important in applying Rule Six, "Put the Pressure on the Other Side," which will be discussed in Chapter 5.)

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### 3.4 Assess Bargaining Power

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**Bargaining Power Defined**

Bargaining power is never only one-sided. No one side ever has ultimate power, just as neither side is ever totally powerless.

In any negotiation, both parties have something to offer the other side or else the negotiation would not be taking place. Successful negotiators are able to recognize the actual bargaining power on each side to maximize their own strengths while minimizing the bargaining power on the other side.

Bargaining power comes in many forms. A world-renowned scientist may have bargaining power based on expertise and reputation. Suppliers often enjoy bargaining power because the government side lacks knowledge about the existence of potential competitors or substitute products. In any case, bargaining power has to be perceived by the other side to have an effect in the negotiations. When the other side does not perceive your power, your side has no edge in that regard.

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**Types of Bargaining Power**

The following are some of the types of bargaining power to consider in assessing strengths and weaknesses of each side.

Competition: The availability or lack of competition may give one side the upper hand. Competition power is in favor of the buyer when multiple sources or alternatives are available. Conversely, sellers enjoy more competition power when availability or alternatives are limited.

However, bargaining alternatives exist even during sole source negotiations. The government side can always gain bargaining strength by researching the practicality of other alternatives, such as:

- In-house performance
- Changing requirements
- Providing start-up funds to other contractors
- Postponing contract award
- Breaking out and separately competing components

Knowledge: Which side appears to be the expert? Information is power. The more information that is known about the other side, circumstances, and the negotiation issues, the greater the bargaining power in this area. Thorough preparation can increase bargaining power based on knowledge.

Time Constraints: Which side appears to be able to use time to its advantage, e.g., time available for negotiations, time available for completion of work, date when work must start, and the expiration of funding? The advantage from this power source is apparent when time appears to work for or against the other side. Patience may strengthen this power source when the other side tries to use a deadline. (Chapter 5, Rule Seven, "Use the Power of Patience," discusses how patience can be used as a bargaining technique.)

**Bargaining Skills:** The use of negotiation skills gives both the perception and the reality of bargaining power. The application of the skills learned in this course should give the government side greater power in this regard because student negotiators should become better bargainers and gain more confidence in their ability to negotiate. Conversely, the contractor negotiators often lose confidence as they perceive power in the government bargaining skills.

**Importance of the Contract to Each Party:** As the following table shows, successful negotiation can reward both the organization and the individual. The importance of the government contract to each side is determined by how much the rewards benefit the organization and the individual participants. The side receiving the greater rewards generally tends to strive harder for success.

<b>Organizational Rewards</b>	<b>Individual Rewards</b>
Money/Profit Unique Product or Service Property Data Rights Privileges Commercial Opportunities Future Business Product Control	Increased Self-Worth Safety Prestige Self-Esteem Self-Actualization Security Reputation Increased Pay

Relative importance of the contract is based both on the facts and on the perceptions of each side. For example, if the contractor perceives that the contract is more important to the government than to the contractor, the contractor may be more intractable and less willing to make concessions.

**Risks Inherent in the Contract:** Since nothing in life is entirely risk-free, risks are inherent in every negotiated settlement. Consequently, both sides must be willing to accept varying degrees of risk.

While the risk of cost overruns or underruns can be shifted to either the contractor or the government depending on the type of contract, cost risk can never be completely avoided. Even a fixed price contract contains some cost risk for the government because the government "risks" paying for a product or service that may not meet performance expectations or may no longer be necessary.

Most negotiated agreements are based on estimates of what future costs will be. However, actual costs are rarely the same as what is estimated. Even the best estimates are either too high or too low, but never precisely equal to actual costs. Consequently, while seeking lower degrees of risk for their side, negotiators must still be prepared to accept some degree of risk.

The side most willing to take risks gains more bargaining power in this area. Since security and risk avoidance are natural tendencies, the negotiator willing to accept greater degrees of risk or uncertainty increases bargaining power.

**Summary**

Bargaining power comes in many forms and is never totally one-sided. The recognition of different types of bargaining power in a negotiation helps government negotiators better understand the bargaining strengths and weaknesses of both sides.

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### 3.5 Establish Negotiation Priorities and Positions

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**Prioritize the Issues**

Rank the many potential issues in order of importance to the government. After ranking, determine whether each issue is:

- Essentially nonnegotiable ("must points")
- Open to trade or concession ("give points")
- Something to avoid discussing ("avoid points")
- Open to bargaining ("bargaining points")

"Must points" are those issues that normally cannot be conceded because of their importance to the government side. Conversely, "give points" can be used as concessions because they are issues that are relatively low in importance to the government side but may be valuable to the contractor. "Avoided points" are those issues that, because of some element of weakness or inflexibility, the government does not want to discuss. "Bargaining points" are issues that will generally be subject to offers and counteroffers that fall somewhere between the opening positions of the two sides. For instance, price is a bargaining point, in that the government and contractor typically reach agreement on a dollar value between their opening bargaining positions.

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**Determine the Price Range**

Negotiators need to have more than one price position available when negotiating fixed-price contracts. Different positions are necessary to give the government negotiators bargaining room and identify the maximum reasonable price or price ceiling. In addition, negotiations on the other than firm fixed price contracts require bargaining on other price related targets. For example, the share ratios and ceiling price are negotiated on fixed price incentive firm contracts. Likewise, minimum and maximum fees in cost plus incentive fee contracts are determined through negotiations. The government minimum and maximum positions on these price related issues should be identified during preparation.

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**Minimum Position**

The minimum price position is the first government counter-offer. In a win/win negotiation, the minimum price should be equivalent to the lowest fair and reasonable price. The minimum price may also indicate the amount of concessions necessary to reach the price objective or target. The use of arbitrary "nice low figures" as a minimum position is neither defensible nor appropriate. The opening price position should be calculated with the same fair logic used in determining win/win price objectives. Using arbitrarily low minimum positions is not in the win/win spirit and may even be counterproductive. An indefensible or unreasonable opening position often causes the government to lose credibility. Even when the government side plans for win/win settlements, loss of credibility caused by unreasonable openings makes attaining win/win outcomes more difficult.

The minimum price should be determined on the reasonable probability of incurring the costs given a best case scenario. However, negotiators will still have to accept the slight risk that under the most favorable circumstances, actual contract costs may be lower than the minimum position. Nevertheless, win/win minimums should be developed under "reasonable" favorable assumptions and not unlikely "pie in the sky" scenarios.

Government negotiators should determine a minimum position for each major element of contract cost and profit. Besides serving as the lowest estimate of reasonable cost, minimum positions give the government side bargaining space. Concessions can then be made during the negotiation because the minimum is, in effect, just the government's opening position. (The importance of bargaining room is discussed later in Chapter 5 under Rule Two, "Give Yourself Room to Compromise.")

### Maximum Position

Since price objectives are sometimes exceeded, a maximum position should also be developed. Like the process for determining the minimum position, the maximum position is estimated on the basis of the probability of incurring the cost. In contrast to the minimum position, the maximum is determined on the reasonable probability of least favorable circumstances or highest costs. Using the *reasonable* "worst case" scenario facts and assumptions, the government side determines maximum price by estimating the highest contract price for such a scenario. However, highly unlikely assumptions should be disregarded in making this determination.

The maximum position could instead be the amount of available funds or ceiling price when the authority of the negotiator or the available funding is between the price objective and the "true maximum" estimated using the methodology in the preceding paragraph. This maximum position is defensible even though the amount is less than the highest price that could be considered fair and reasonable.

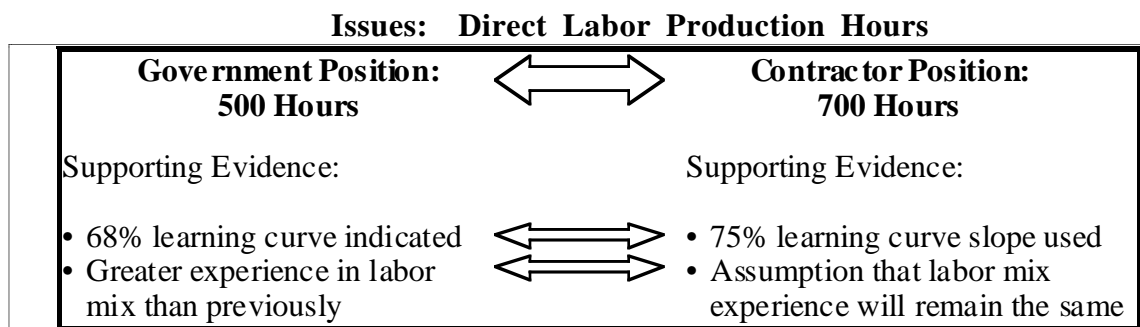
### Non-price Needs

Many other bargaining issues besides price are always present in every negotiation, such as:

- Contract type
- Warranties
- Delivery schedule
- Other business terms and conditions

### Compare Government and Contractor Positions

For meaningful evaluation to occur, the positions of the two sides must be compared. As illustrated in the following diagram, such a comparison readily shows the reasons for the different positions.



### 3.6 Develop a Negotiation Approach

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**Determine the Order in which Issues will be Discussed**

The order of mention of issues should be planned carefully. Some plans start with the least important issues and proceed to the more important ones. Under this approach, concessions can be made on less important issues with the hope that fewer concessions will be needed on the more important issues. Other plans arrange issues according to the anticipated ease of reaching agreement. This way there is greater likelihood of reaching agreement early and creating an atmosphere of agreement that will, it is hoped, continue to the harder issues.

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**Rehearse Potential Concessions**

Concession making is vital to reaching negotiated agreement. Accordingly, the government side should rehearse potential trades by planning on what concessions the contractor side is expected to make in order to "win" a government concession. (In Chapter 5 under the discussion of bargaining techniques, we will discuss concession making in detail under Rule Two, "Give Yourself Room To Compromise," and Rule Five, "Use Concessions Wisely.")

Contract price reductions in a sole source negotiating environment can be accomplished by using such tradeoffs as changing contract type, providing government financing, and increasing optional purchases. Changing contract type from fixed price to one of the cost-reimbursable varieties can reduce contract price by reducing contractor cost risk. Similarly, government financing arrangements, such as progress payments or earlier acceptance, often lowers price by enhancing contractor cash flow. Offering option purchases can also reduce contract cost by increasing economies of scale.

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**Plan Bargaining Tactics**

The selection of negotiation tactics largely depends on the research as to the probable tactics expected of the contractor side. **However, since an important concern of the government is always attainment of a win/win outcome, limit or entirely avoid the application of win/lose tactics.** (Chapter 6 will discuss the most commonly used negotiation tactics.)

The successful application of negotiation tactics requires a great deal of planning. The negotiator must be prepared to respond in a manner that protects the government and makes progress toward agreement. This preparation is accomplished by anticipating the probable contractor tactics and developing countermeasures in advance.

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## 3.7 Develop the Negotiation Plan

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### **Prepare a Negotiation Plan**

Draft a negotiation plan that includes the following information:

- Background (contract, contractor, negotiating situation)
  - Major and minor issues (including non-price needs)
  - Target positions (include price objective, opening and maximum positions)
  - Tactical plan
  - Team members and roles
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### **Brief Management on the Plan**

Before the start of negotiations, the negotiating team briefs government officials to review the upcoming negotiation. This meeting gives government management the opportunity to provide input on the negotiation as well as give policy guidance and support in the handling of particular problems or issues. This briefing generally occurs between factfinding and the actual negotiation.

The prenegotiation briefings can take many forms. This review can be a five-minute rundown of the facts and objectives when the upcoming negotiation is a small or routine contract. The meeting can also take the form of a formal flip chart presentation or slide show for the agency's top procurement managers. Or, the briefing may not take the form of a meeting if management is provided written justification or a business clearance for permission to proceed as intended with the upcoming negotiation.

Whatever the form of the prenegotiation briefing, obtaining management concurrence is extremely important. The government bargainers must know they have management support and the authority to maintain or deviate from the price objective. Moreover, management should identify any priorities or limitations during the prenegotiation conference. Consultation with management may also be an on-going requirement during negotiation, particularly when unanticipated problems develop or when new alternatives need to be considered.

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### **Prepare Negotiation Agenda**

One of the most difficult tasks during a negotiation is to confine the discussion to what is important while avoiding irrelevant subjects. One of the best ways to promote productive and efficient discussion is to establish an agenda for both sides to follow.

Agendas are usually presented at the start of the bargaining session by the government's chief negotiator. When applicable, copies of the agenda could be provided to the contractor side before negotiations start. Even consider obtaining contractor input to the agenda as a courtesy and a means to encourage cooperation.

The negotiation agenda should include the following items:

- Topics to be discussed and order of mention.
- Proposed time schedule for the negotiation sessions.
- Location(s) of the negotiation session(s).
- Names and titles of government and contractor team members. Include office symbols and phone numbers when appropriate.

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**Rehearse and Finalize the Negotiation Plan**

Things to consider in finalizing and rehearsing the negotiation plan include:

- Presenting the plan to the team members.
  - Obtaining agreement on the role each member will play.
  - Conducting a simulated negotiation session, including role playing.
  - Using "devil's advocates" to challenge the government position with arguments favoring the contractor position. Rehearse government responses and counters to the "devil's advocate" challenges.
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**Conduct Initial Briefing Of Team Members (Kickoff Briefing)**

Before the negotiations begin, the chief negotiator should brief team members on the correct procedures to be adhered to during the bargaining session. Particular emphasis should be on the chief negotiator's role as principal speaker and "chairperson" of the government side. The team is usually composed of individuals from different organizations who may never have participated in a government contract negotiation. In addition, some team members may be accustomed to leadership roles in their regular jobs and may find it difficult not to speak out during the negotiations.

Team members need to fully understand their function and what they can and cannot do during negotiations. **They must realize that the chief negotiator is the government's spokesperson and the only individual who is authorized to negotiate with the contractor.** In contrast, the functions of the team members are to provide support, listen, evaluate, and handle any specific issues that the chief negotiator may assign to them.

Since team members may address the contractor side only when so instructed by the chief negotiator, they should not give direct replies even if asked a direct question by a contractor representative. In this case, team members should seek approval from the principal negotiator before responding. A polite way to obtain approval for a response would be to ask the chief negotiator, "Would you rather answer that one, or shall I?" Responding to direct questions can also be delegated by the use of prearranged signals between the chief negotiator and the team members.

Key points for the initial or "kickoff" briefing include:

- Restatement of government overall goals: Negotiate a fair and reasonable price in a win/win atmosphere resulting in quality products and timely performance
- Roles and responsibilities of each team member
- A reminder not to address the contractor side unless directed by the chief negotiator
- Prohibition of ex parte communications with the contractor side (outside the negotiation conference)

**FAR 15.413**

**FAR 3.104**

- A warning to safeguard confidential information from the contractor or other unauthorized persons
  - Ethical considerations, such as no free lunches or favored treatment
  - Emphasis that the primary contract price objective is the total contract price, and not necessarily the cost of individual cost elements
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## 3.8 Summary

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### Summary

Successful negotiation outcomes often depend on the thoroughness of preparations made beforehand. During this period, it is necessary to decide who will be on the negotiation team and who will be the chief negotiator. Preparation time is needed to establish the negotiating objectives and specific issues, and to evaluate the probable negotiation style and approaches of the other side. Additionally, time is needed to identify potential concessions and to assess the bargaining power of each side. Building on this information, the government team should prepare an overall approach and plan for obtaining the negotiation objectives. Finally, the government team needs time to rehearse and finalize the negotiation plan.

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